



The Business of Connectivity

The promise of the Internet and
Open Markets

about us

- ✓ Founded in 1994 by 3 graduates of GMU.
- ✓ Founders - Bob de Lorenzi, Hawley Hansen, Bruce Long.
- ✓ Started in Bedquarters, Fairfax, VA.
- ✓ Started in technology learning and consulting.
- ✓ Early provider of dialup then broadband.
- ✓ Early Internet adopters were academia.
- ✓ Was at one time 50% residential and 50% business.
- ✓ Now 90% business and only 10% residential due to inability to be competitive within the residential market



about us

- ✓ Cynthia H. de Lorenzi - CEO
- ✓ Founder – North Texas Technology Council
- ✓ Served on the 2004/2005 Joint Commission on Technology and Science (JCOTS) – Served on the Advisory Committee on Computer Crimes
- ✓ Board Service:
 - ✓ Community Business Partnership
 - ✓ Telework Coalition
 - ✓ Capitol Telecommunications Professionals



not in a vacuum

Discounting the top 23 ISP's,
including the Bells, ISP consumer
accounts total approximately 31
million or 33% of the current market!



***the business of
connectivity does not
operate in a vacuum***

Domino Theory

- ✓ The innovators and dream-weavers
- ✓ The developers and early adopters
- ✓ The aggregators and suppliers
- ✓ The jobs and the community served



the technology innovation channel

Much of US technological innovation is first introduced and fostered through the ISP channel.

Due to accessibility of the smaller ISP, they are usually the first to see, adopt and introduce new and emerging technologies. New technologies then move up the chain to the middle-ground providers and then up to top level providers.

Top level providers are conservative by the nature and therefore watch market interest and viability before considering adoption or deployment of new, innovative technology.

Without the presence of the smaller, independent ISP we may lose our global competitive advantage.



technologies introduced through the ISP channel

- Aptela – Virtual Office and VoIP
- Audiopoint – Email-by-Phone
- Contribute by Macromedia
- IT Consulting – Virtual Help Desks
- Spam Assassin – Spam Control
- Third-Eye – Unified IP Communications & Services
- Timberlake Publishing – Online Store Fronts
- VIDITalk – Video email
- Web Development – Packaged Solutions



differentiating through services

- Dial-up
- DSL
- T1
- Web Development
- Web Hosting
- Dedicated Servers
- E-Commerce
- Telework Consulting
- Aptela – Virtual Office
- Zeera – Security Solution
- Email-by-Phone
- Video Email
- IT Consulting Service Contract

Sample Package

DSL

Web Hosting

Email-by-Phone

IT Consulting Contract

BUNDLED AT A DISCOUNT



competition?

Revisions to the 1996 Telecommunications Law

- Will innovation in new technology be limited or prohibited by the current rulings?
- Telecom technology rapidly leapfrogs the laws that govern it.
- Need to setup a framework encouraging service providers to invest in new technologies.
- Broadband – a customers chain-of-pain, from the ISP to the CLEC to the ILEC.
- With competition falling by the wayside is competition on life-support?



competition?

Revisions to the 1996 Telecommunications Law

- The success story of the information economy – built on the promise of the Internet and open markets.
- The Bell Bill or Last Mile Bill – Good for American Business?
- The Bell promise to wire half of the nations' households by 2000 in exchange for deregulation has yet to materialize.
- According to Business Week's Corporate Scoreboard, the Bell's profits are 200% above most American companies.
- Bell profits on some services, such as Call Waiting is 48,000%, according to the Florida Commission.
- Bell companies have taken massive write-offs of the copper networks the promise to replace, yet they are still in use.



competitive rates for residential DSL Today?

AT & T	SBC	Qwest	Verizon	Covad	PatriotNet
\$29.99 First month free	\$26.95	\$26.99 with home phone package, \$31.99 without	\$29.95 First month free	\$39.95	\$49.95

